

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

B

SW-02361A
Black Mountain Sewer Corporation
111 W. Wigwam Blvd, Suite B
Litchfield Park, AZ 85340

RECEIVED

APR 12 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN05	04
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COMPANY INFORMATION

Company Name (Business Name) Black Mountain Sewer Corporation

Mailing Address 111 W. Wigwam Blvd., suite B
(Street)

Litchfield Park Arizona 85340
(City) (State) (Zip)

(623) 935 - 9367 (623) 935 - 1020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 111 W. Wigwam Blvd., suite B
(Street)

Litchfield Park Arizona 85340
(City) (State) (Zip)

(623) 935 - 9367 (623) 935 - 1020
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Peter Kampian Chief Financial Officer
(Name) (Title)

2845 Bristol Circle Oakville, Ontario Canada L6H 7H7
(Street) (City) (State) (Zip)

(905) 465-4500 (905) 465-4514
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Mike Weber General Manager
(Name)

111 W. Wigwam Blvd., Suite B Litchfield Park Arizona 85340
(Street) (City) (State) (Zip)

(623) 935-9367 (623) 935-1020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: CT Corporation System
(Name)
3225 N Central Ave Phoenix AZ 85012
(Street) (City) (State) (Zip)
(602) 277-4792
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro @ Fennemore Craig
(Name)
3003 North Central Ave, Suite 2600 Phoenix AZ 85012-2913
(Street) (City) (State) (Zip)
(602) 916-5366 (602) 916-5566
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

BLACK MOUNTAIN SEWER CORPORATION

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	461,446		461,446
354	Structures and Improvements	1,245,292	830,387	414,905
355	Power Generation Equipment			
360	Collection Sewers - Force	228,785	176,925	51,860
361	Collection Sewers - Gravity	3,608,619	2,294,350	1,314,269
362	Special Collecting Structures			
363	Services to Customers	158,802	118,357	40,445
364	Flow Measuring Devices	39,878	25,421	14,457
365	Flow Measuring Installations	158,358	19,862	138,496
370	Receiving Wells	696,506	522,623	173,883
371	Pumping Equipment	451,705	121,442	330,263
380	Treatment and Disposal Equip.			
381	Plant Sewers	121,651	68,683	52,969
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	738,804	208,639	530,166
390	Office Furniture and Equipment	365,512	44,557	320,955
391	Transportation Equipment	87,811	8,291	79,520
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	7,279	2,223	5,056
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	8,370,448	4,441,760	3,928,689

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION
--

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights	461,446		
354	Structures and Improvements	1,245,292	5%	59,318
355	Power Generation Equipment	0		
360	Collection Sewers - Force	228,785	5%	11,408
361	Collection Sewers - Gravity	3,608,619	5%	157,759
362	Special Collecting Structures	0		
363	Services to Customers	158,802	5%	7,940
364	Flow Measuring Devices	39,878	5%	1,725
365	Flow Measuring Installations	158,358	5%	7,863
370	Receiving Wells	696,506	5%	34,825
371	Pumping Equipment	451,705	5%	21,549
380	Treatment and Disposal Equip.	0		
381	Plant Sewers	121,651	5%	6,083
382	Outfall Sewer Lines	0		
389	Other Plant and Misc. Equipment	738,804	5%	26,956
390	Office Furniture and Equipment	365,512	5%	18,150
391	Transportation Equipment	87,811	5%	4,391
393	Tools, Shop and Garage Equip.	0		
394	Laboratory Equipment	7,279	5%	364
395	Power Operated Equipment	0		
398	Other Tangible Plant	0		
	SUBTOTAL	8,370,448		358,330
	CIAC Amortization			(290,846)
	TOTALS	8,370,448		67,484

This amount goes on Comparative Statement of Income and Expense Acct. 403

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION
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BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 422,862	\$ 524,979
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	29,058	17,009
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	10,635	9,512
174	Miscellaneous Current and Accrued Assets	1,917,160	1,918,706
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,379,715	\$ 2,470,206
	FIXED ASSETS		
101	Utility Plant in Service	7,428,129	8,370,448
103	Property Held for Future Use		
105	Construction Work in Progress		103,804
108	Accumulated Depreciation - Utility Plant	4,083,429	4,441,760
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 3,344,700	\$ 4,032,492
	TOTAL ASSETS	\$ 5,724,415	\$ 6,502,698

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME**BLACK MOUNTAIN SEWER CORPORATION****BALANCE SHEET (CONTINUED)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 88,185	\$ (2,126)
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	1,325,147	1,257,904
235	Customer Deposits	(2,306)	(3,000)
236	Accrued Taxes	139,945	134,175
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	65,684	62,174
	TOTAL CURRENT LIABILITIES	\$ 1,616,655	\$ 1,449,127
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ 244,258	\$ 1,315,900
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5,802,247	5,800,321
272	Less: Amortization of Contributions	3,195,372	3,486,218
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2,851,133	\$ 3,630,003
	TOTAL LIABILITIES	\$ 4,467,788	\$ 5,079,131
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Other Paid in Capital	1,301,007	1,301,007
215	Retained Earnings	(45,380)	121,561
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 1,256,627	\$ 1,423,568
	TOTAL LIABILITIES AND CAPITAL	\$ 5,724,415	\$ 6,502,698

COMPANY NAME

BLACK MOUNTAIN SEWER CORPORATION**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 1,138,255	\$ 1,173,940
522	Measured Revenues		
536	Other Wastewater Revenues	5,783	16,472
	TOTAL REVENUES	\$ 1,144,038	\$ 1,190,412
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment	175,796	160,789
711	Sludge Removal Expense	85	981
715	Purchased Power	44,839	45,594
716	Fuel for Power Production		
718	Chemicals	25,468	73,928
720	Materials and Supplies	98,756	30,420
731	Contractual Services - Professional	219,187	171,683
735	Contractual Services - Testing	18,594	11,000
736	Contractual Services - Other	100,609	226,595
740	Rents	7,696	1,401
742	Rental of Equipment	2,525	9,424
750	Transportation Expense	(50)	4,870
755	Insurance Expense	21,272	16,204
765	Regulatory Commission Expense		
775	Miscellaneous Expense	21,247	77,401
403	Depreciation Expense	32,280	67,484
408	Taxes Other Than Income		
408.11	Property Taxes	50,183	32,328
409	Income Taxes	110,031	
	TOTAL OPERATING EXPENSES	\$ 928,518	\$ 930,102
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ (2,171)	\$ 932
421	Non-Utility Income	24,000	24,000
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	122,360	116,402
	TOTAL OTHER INCOME/EXP	\$ (100,531)	\$ (91,469)
	NET INCOME/(LOSS)	\$ 114,989	\$ 168,841

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME **BLACK MOUNTAIN SEWER CORPORATION**

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration	
DESIGN CAPACITY OF PLANT (Gallons Per Day)	160,000 GPD BMSC Treatment Facility	318,000 GPD Scottsdale

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Commercial	2	20	200	1,130
CIE	2	15	200	4,200
Indian Rock	2	11.3	100	470
Sage Brush	2	3	N/A	470
Trade Center	2	0.75	N/A	200
Sentinel Rock	2	15	370	1,500
Carefree Highway	2	25	350	1,525
Stagecoach Pass	2	5	50	470
Peaceful Place	2	1	15	470
Sunset Trails	2	30	290	2,600
El Pedregal	2	10	185	2,000
Ridgeview	2	5	100	470
Canyon Crossings	2	3	85	300
Carefree Village	2	3	85	1,760
Indian Basket	2	1	11	150

FORCE MAINS

Size	Material	Length (Feet)
3"	ACP	915
4"	ACP	9,366
6"	ACP	7,460
1.25"	PVC	443
1.5"	PVC	5,384
2"	PVC	5,155
4"	PVC	2,390
6"	PVC	10,353
8"	PVC	10,426

MANHOLES

Type	Quantity
Standard	974
Drop	14

CLEANOUTS

Quantity
27

COMPANY NAME	BLACK MOUNTAIN SEWER CORPORATION
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WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	ABS	720
12	ABS	9,343
6	VCP	12,760
8	VCP	71,673
10	VCP	7,675
15	VCP	1,900
6	PVC	3,046
8	PVC	80,054
10	PVC	3,455
12	PVC	565
15	PVC	6,735
6	DIP	85
8	DIP	1,280
15	DIP	165
18	CIP	130
21	CIP	74

SERVICES

[illegible]

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypo-Chlorite (Bleach)
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Main blower building Chlorine building Headworks building Concrete block wall (plant)
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Odor control scrubber (plant); Stand-by generator (portable); Lifting crane assembly; Chemical injection system (commercial); Case backhoe; Chevy pickup; Stand-Generator (Carefree Village)

COMPANY NAME	BLACK MOUNTAIN SEWER CORPORATION
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WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan-04	1,807	10,199,000	356,235
Feb-04	1,816	10,713,000	432,041
Mar-04	1,826	13,126,000	529,001
Apr-04	1,835	13,307,000	510,960
May-04	1,871	7,929,000	365,540
Jun-04	1,874	8,585,000	392,583
Jul-04	1,874	7,039,000	250,405
Aug-04	1,882	8,577,000	313,250
Sep-04	1,885	7,802,000	306,789
Oct-04	1,887	10,564,000	338,915
Nov-04	1,889	9,994,000	391,254
Dec-04	1,923	9,892,000	333,719

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Turf Irrigation
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100351
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	APP100351
ADEQ Reuse Permit Number	R105424
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers 1,923

Total number of gallons treated 117,727,000 gallons

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A
Amount of Gross-Up Tax Collected N/A
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Michael D. Weber
SIGNATURE

4/6/05
DATE

MICHAEL D. WEBER
PRINTED NAME

VICE PRES. / GM
TITLE

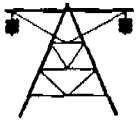
COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 38,097.47

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____



BLACK MOUNTAIN SEWER COMPANY
 PO Box 2586
 Litchfield Park, AZ 85340
 (623) 935-9367 X 0 Fax: (623) 935-1020 X 0000

BankOne, NA
 Phoenix, Arizona


000696

DATE
 September 17, 2004

AMOUNT
 US\$18,570.87
 U.S. Funds

Eighteen Thousand Five Hundred Seventy Dollars and 87 Cents

PAY TO THE ORDER OF
 Maricopa County Treasurer
 P O Box 78574
 Phoenix, AZ 85062-8574

Black Mountain Sewer Company (Operating Account)  

[Signature]
 Robert D. Dodd

⑈000696⑈ ⑆122100024⑆ 641840376⑈

⑈0001857087⑈

022404 268 703 004 002 4 2168761717 05150224040NF

BANK ONE, NA
 1119013314
 09242004
 5140257180

DO NOT WRITE
 CREDIT TO ACCT OF
 NAMED PAYEE WITH-
 OUT PREJUDICE
 ABSENCE OF ENDORSE-
 MENT GUARANTEED BY
 BANK ONE, NA

Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence	Customer Data
CD	641840376	696	\$18,570.87		9/24/2004	5140257180	
Bank #	GL Category	CD VolID/CIMS Key	CD Label				
601	000000000000	20040930593901	20040930593901				

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Maricopa County

Treasurer's Office

Tax Bill	Tax Summary	Pay Online!	Valuations	Home
Tax Stub	Address	Activities	Tax Receipt	New Parcel

Tax Payments							
Date Paid	Tax Year	Half	In Payment Of	Tax Amount	Interest & Fee Amount	Combined Amount	Transaction Number
9/24/2004	2004	1	TAX	\$141.38	\$0.00	\$141.38	060-75691
6/18/2004	2003	F	TAX	\$153.21	\$4.09	\$157.30	063-54434
Total payments				\$294.59	\$4.09	\$298.68	

4/8/2005

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Maricopa County

Treasurer's Office

Tax Bill	Tax Summary	Pay Online!	Valuations	Home
Tax Stub	Address	Activities	Tax Receipt	New Parcel

Transaction Details							
Date Paid	Tax Year	Half	In Payment Of	Tax Amount	Interest & Fee Amount	Combined Amount	Transaction Number
6/18/2004	2003	F	TAX	\$18,866.21	\$503.09	\$19,369.30	063-54434
Total payments				\$18,866.21	\$503.09	\$19,369.30	

4/8/2005

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 12 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF MARICOPA

NAME (OWNER OR OFFICIAL) TITLE

Mike Weber V.P.

COMPANY NAME

Black Mountain Sewer Corporation

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,190,412

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Michael D. Weber
SIGNATURE OF OWNER OR OFFICIAL
623 935-9367
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

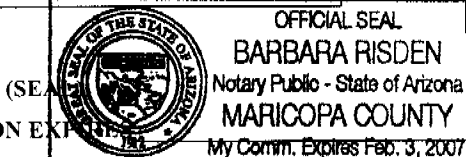
THIS

6th

DAY OF

COUNTY NAME Maricopa

MONTH April, 2005



MY COMMISSION EXPIRES

Barbara Riden
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 12 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF MARICOPA	
NAME (OWNER OR OFFICIAL) Mike Weber	TITLE VP
COMPANY NAME Black Mountain Sewer Corporation	

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 795,790

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Michael D. Weber
SIGNATURE OF OWNER OR OFFICIAL
623 935-9367
TELEPHONE NUMBER

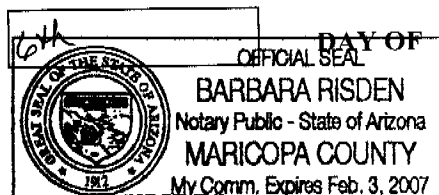
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>Barbara Riden</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	20 <u>05</u>

X Barbara Riden
SIGNATURE OF NOTARY PUBLIC

	Actual	Prior Year
ASSETS		
Current Assets		
Cash - Operating	\$144,079	\$51,797
Cash - Capacity	26,853	15,472
Short Term Investments	354,047	355,594
Accounts Receivable	22,009	32,512
Prepays	9,512	10,635
Total Current Assets	556,500	466,010
Intercompany	10,173	391
Long Term Assets		
Fixed Assets		
Land	461,446	461,446
Water Treatment Plant	9,926,512	8,880,389
Less Accum Depreciation	(4,441,760)	(4,083,429)
Contribution in Aid of Construction	(5,800,321)	(5,802,247)
Accum Depreciation - CIAC	3,486,218	3,195,372
Net Fixed Assets	3,632,095	2,651,531
Other Assets		
Total Assets	4,198,768	3,117,932
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	73,059	173,343
Inter group	66,351	57,115
Current Taxes Payable	118,164	118,164
Franchise Tax Payable		
Total Current Liabilities	257,574	348,622
Long Term Liabilities		
Intercompany Notes Payable	1,201,726	1,268,423
Customer Advances in Aid of Construction	1,315,900	244,258
Total Long Term Liabilities	2,517,626	1,512,681
Total Liabilities	2,775,200	1,861,303
SHAREHOLDERS EQUITY		
Common Shares	1,302,007	1,302,007
Total Contributed Capital	1,302,007	1,302,007
Earnings		
Retained Earnings	(410,577)	(446,770)
Year to Date Income	168,841	36,193
Dividends Paid	363,296	365,197
Total Earnings	121,560	(45,380)
Total Shareholders' Equity	1,423,567	1,256,627
Total Liabilities and Equity	4,198,767	3,117,930

Black Mountain Sewer Company
INCOME STATEMENT
For the Twelve Months Ending December 31, 2004

CURRENT MONTH				YEAR TO DATE				
Actual	Budget	Prior	% Change Budget	Actual	Budget	Prior	% Change Budget	% Change Prior
Revenue								
Water Sales								
Waste Water Sales								
						</		

CURRENT MONTH					YEAR TO DATE					
Actual	Budget	Prior	% Change Budget	% Change Prior		Actual	Budget	Prior	% Change Budget	% Change Prior
\$25,300	\$34,522	\$47,530	-26.71%	-46.77%	Total Operating Costs	\$505,322	\$414,268	\$340,193	21.98%	48.54%
					Maintenance Costs					
					Sources of Supply, Collections & Expenses					
0	6,321	2,780	-100.00%	-100.00%	Materials & Supplies	15,903	75,850	30,630	-79.03%	-48.08%
3,373	2,050	1,496	64.54%	125.47%	Contractual Services	22,537	24,600	27,125	-8.39%	-16.91%
3,373	8,371	4,276	-59.71%	-21.12%		38,440	100,450	57,755	-61.73%	-33.44%
					Water Treatment & Pumping Expenses					
0	2,050	2,500	-100.00%	-100.00%	Materials & Supplies	2,500	24,600	30,195	-89.84%	-91.72%
0	0	0	0.00%	0.00%	Equipment Rental	921	0	0	0.00%	0.00%
0	2,050	2,500	-100.00%	-100.00%		3,421	24,600	30,195	-86.09%	-88.67%
					Transportation & Distr, Treatment & Disposal Exp					
0	0	0	0.00%	0.00%	Chemicals	243	0	0	0.00%	0.00%
131	0	4,153	0.00%	-96.85%	Materials & Supplies	4,099	0	37,444	0.00%	-89.05%
0	0	0	0.00%	0.00%	Contractual Services-Other	6,387	0	0	0.00%	0.00%
61	0	0	0.00%	0.00%	Equipment Rental	61	0	0	0.00%	0.00%
192	0	4,153	0.00%	-95.38%		10,790	0	37,444	0.00%	-71.18%
					Effluent Water Treatment Expenses					
					Effluent Water Distribution Expenses					
30	0	0	0.00%	0.00%	Materials & Supplies	30	0	0	0.00%	0.00%
813	0	0	0.00%	0.00%	Equipment Rental	813	0	0	0.00%	0.00%
843	0	0	0.00%	0.00%		843	0	0	0.00%	0.00%
4,408	10,421	10,929	-57.70%	-59.67%	Total Maintenance Costs	53,494	125,050	125,394	-57.22%	-57.34%
					Administrative & General Costs					
0	0	0	0.00%	0.00%	Purchased Power	257	0	0	0.00%	0.00%
441	513	0	-14.04%	0.00%	Telephone	9,851	6,150	2,703	60.18%	264.45%
525	513	558	2.34%	-5.91%	Materials & Supplies	8,466	6,150	3,213	37.66%	163.49%
7,448	8,371	61,721	-11.03%	-87.93%	Contractual Services	171,683	100,450	219,187	70.91%	-21.67%
202	769	3,297	-73.73%	-93.87%	Rentals-Building & Equipment	4,118	9,225	10,216	-55.36%	-59.69%
0	0	359	0.00%	-100.00%	Security	377	0	3,204	0.00%	-88.23%
0	0	0	0.00%	0.00%	Transportation Expenses	3,643	0	(50)	0.00%	-7386.00%
175	171	0	2.34%	0.00%	Licences & Fees	6,027	2,050	4,641	194.00%	29.86%
1,242	1,705	2,656	-27.16%	-53.24%	Insurance	16,204	20,461	21,272	-23.82%	-29.86%
1,282	2,050	3,400	-37.46%	-62.29%	Property Taxes	32,328	24,600	50,183	31.41%	-35.58%
1,027	0	0	0.00%	0.00%	Central Office Costs	31,958	0	0	0.00%	0.00%
2,192	0	1,377	0.00%	59.19%	Bank Charges	12,965	0	6,051	0.00%	114.26%
14,534	14,092	73,368	3.14%	-80.19%	Total Administrative & General Costs	297,877	169,086	320,620	76.17%	-7.09%
59,845	37,111	(28,981)	61.26%	-306.50%	Net Income Before Depn, Interest & Tax Interest	357,719	437,429	381,831	-18.22%	-6.31%

CURRENT MONTH					YEAR TO DATE				
Actual	Budget	Prior	% Change Budget	% Change Prior	Actual	Budget	Prior	% Change Budget	% Change Prior
\$116,402	\$0	\$122,360	0.00%	-4.87%	\$116,402	\$0	\$382,466	0.00%	-69.57%
116,402	0	122,360	0.00%	-4.87%	116,402	0	382,466	0.00%	-69.57%
8,499	19,939	(182,925)	-57.37%	-104.65%	67,484	239,268	(149,440)	-71.80%	-145.16%
8,499	19,939	(182,925)	-57.37%	-104.65%	67,484	239,268	(149,440)	-71.80%	-145.16%
0	0	0	0.00%	0.00%	0	0	110,031	0.00%	-100.00%
0	0	0	0.00%	0.00%	0	0	110,031	0.00%	-100.00%
403	0	124	0.00%	225.00%	4,993	0	2,578	0.00%	93.68%
403	0	124	0.00%	225.00%	4,993	0	2,578	0.00%	93.68%
(65,459)	17,172	31,460	-481.20%	-308.07%	168,840	198,161	36,196	-14.80%	366.46%



ALGONQUIN
WATER RESOURCES
OF AMERICA, INC.

111 W. Wigwam Blvd., Suite B
Litchfield Park, AZ 85340
Phone: (623) 935-9367 - Fax: (623) 935-1020

LETTER OF TRANSMITTAL

DATE: April 11, 2005

ATTN: Compliance Section-Utilities Section

RE: Annual Report for Black Mountain Sewer

TO: Compliance Section
Utilities Division - ACC
1200 West Washington Street
Phoenix, AZ 85007

The Following Items Are Forwarded To You: (x) Attached () Under Separate Cover

- ☐ Bid Package ☐ Copy of Letter ☐ Shop Drawings ☐ Specifications
☐ Change Order ☐ Plans/Prints ☒ Other Annual Report

COPIES	NO.	DESCRIPTION
1	1	Black Mountain Sewer Corp. - Annual Report

These Are Transmitted As Checked Below:

- | | |
|--|---|
| <input type="checkbox"/> For signature | <input type="checkbox"/> For your use |
| <input type="checkbox"/> Approved as submitted | <input type="checkbox"/> For review and comment |
| <input type="checkbox"/> Approved as noted | <input type="checkbox"/> Prints returned after loan |
| <input type="checkbox"/> Re-submit _____ copies for approval | <input type="checkbox"/> Submit _____ copies for distribution |
| <input type="checkbox"/> FOR BIDS DUE _____ | <input checked="" type="checkbox"/> As requested |

Remarks: _____

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Signed: Barbara Resden